SEP 11 2012

TO: The Secretary
The Deputy Secretary
Subcabinet Officials

FROM: Michael L. Young
Director

SUBJECT: Fiscal Year 2013 Continuing Resolution

On Monday, September 10, the House Appropriations Committee released H.J. Res. 117, a Continuing Resolution (CR) that provides funding for the government through March 27, 2013. The House is expected to act on the CR later this week.

The CR provides a total annualized operating level of $24.2 billion for USDA, which is $540 million above 2012. Funding for most USDA programs is continued at a rate for operations that is 0.612 percent, or $128 million, above the amounts provided in the 2012 Appropriations Acts. Exceptions from this rate for operations include:

- Entitlement programs, including the Supplemental Nutrition Assistance Program and Child Nutrition Programs, are funded at a rate that maintains current program levels.

- The Commodity Assistance Program, including the Commodity Supplemental Food Program, is provided at the 2013 budget request level, which is $11.6 million, or 4.8 percent, above 2012.

- The Wildland Fire Management account is also funded at the 2013 budget request level. In addition, the CR provides $400 million for repayment to other appropriations accounts from which funds were transferred in FY 2012 for wildfire suppression.

The CR continues language used in prior years requiring the most limited funding action and prohibiting high initial rates of operation that would impinge on final Congressional funding prerogatives.

Other authorities contained in the CR include an extension through the date of the CR of the current pay freeze for all federal employees and an extension of the Forest Service's administration of the rights of ways and land uses pilot authority. The CR also includes a technical correction to allow a transfer of Section 32 funds as authorized by the 2008 Farm Bill for the fresh fruit and vegetable program for school meals.